

DRAFT MINUTES OF THE REGULAR MEETING
CITY OF ALAMEDA PUBLIC UTILITIES BOARD MEETING

June 26, 2017

1. ROLL CALL

President McCormick called the meeting to order at 7 p.m. On roll call, the following commissioners were present: Deaton, Giuntini, Keimach, McCormick and Serventi.

2. ORAL COMMUNICATIONS – NON AGENDA (Public Comment)

None.

3. SPECIAL PRESENTATION

None.

4. CONSENT CALENDAR

A. Draft Minutes – Regular Meeting – May 2017

B. Listing of Bills Paid – May 2017

C. Financial Report – April 2017

D. Treasurer’s Report – May 2017

E. By Resolution, Approve an Investment Policy for Fiscal Year (FY) 2018, and Delegate Investment Authority per the Investment Policy to the General Manager of Alameda Municipal Power or His Designee

F. By Resolution, Approve a Budget Policy for Alameda Municipal Power with an Effective Date of July 1, 2017

G. By Resolution, Approve and Adopt Alameda Municipal Power’s Energy inView Web Portal Privacy, Information Security and Energy Usage Data Policy

H. By Motion, Recommend to City Council the Approval of a Lease Agreement with Teleport Communications America, LLC, (TCA) for an Initial 15-Year Term with the Right of Lessee to Extend the Term for Three Successive Five-Year Renewal Periods to Lease Conduit for One Innerduct Containing Fiber from the Intersection of Grand Street and Fortmann Way Across the Oakland Estuary to Coast Guard Island

- I. By Resolution, Approve and Adopt the Revised Rules & Regulations for Alameda Municipal Power
- J. By Motion, Authorize the General Manager to Execute a Tenant Estoppel Certificate and Enter a Subordination, Non-Disturbance and Attornment Agreement with 1835 Alameda Property, LLC, the Landlord of Warehouse Space Leased by Alameda Municipal Power

President McCormick pulled item 4G from the consent calendar. With a motion from Commissioner Giuntini and a second from Commissioner Deaton, the Board unanimously approved the balance of the consent calendar.

Addressing item 4G, President McCormick noted that there have been public inquiries about the privacy policy, and asked how the privacy information regarding the Energy inView program would be conveyed to the public.

Staff noted that the item relates to privacy policy specifically for the web portal. A recent customer inquiry was related to a different area – the security of the Landis & Gyr meters. Staff has been working with Landis & Gyr to address the customer’s inquiry. Landis & Gyr has the highest levels of security, staff said. Staff is working to get the security information pertaining to the meters on the website.

After discussion, the Board unanimously approved item 4G.

5. AGENDA ITEMS

- A. Adopt Resolution Establishing the Fiscal Year (FY) 2018 Budget, Including Delegating Authority for Implementing and Managing the Budget to the General Manager of Alameda Municipal Power or His Designee; or In the Event That the Public Utilities Board Elects to Postpone Adopting the Fiscal Year (FY) 2018 Budget, Approving an Interim Spending Authorization

Following a staff presentation, General Manager Procos said that AMP staff has not received any significant comments on the budget, with the exception of an email from the International Brotherhood of Electrical Workers (IBEW). He said the Board is aware of the content of that email.

In reference to ongoing discussions regarding some streetlight-related and advanced metering infrastructure (AMI)-related positions, IBEW requested that the Board defer approval of the budget and instead approve a two-month emergency budget. After some discussion, AMP staff is recommending that the Board approve the original budget proposal, General Manager Procos said.

Conversations between AMP leadership and IBEW have been ongoing and AMP leadership is committed to continuing them, General Manager Procos said. In the event that there are any changes based on discussions between AMP leadership and IBEW, staff will return to the Board to request funding, he said.

Staff also told the Board that two corrections to the budget are needed. There is a formula error on page 1, section 3 of the budget. The numbers are correct, staff said, but the percentage needs to be corrected.

In addition, a slight correction needs to be made to the content of the work plan of the Engineering and Operations division, staff said. The correction will be made when staff prints the budget books.

President McCormick said that staff recommendation is that the IBEW conversation can be on a parallel path with the Board's budget approval. She asked whether the people involved in the discussion understand staff's recommendation.

General Manager Procos said IBEW is engaged in the ongoing discussions. Following the Board meeting, staff will touch base with them.

Commissioner Deaton said that it's important to note that planning for AMI has been underway for a couple years and will continue for a few more years. Projections that have been made along the way will be impacted by interim changes, she said. There needs to be placeholders in the budget, so that we can make changes as necessary along the way, she said.

The essence of the AMI plan needs to go forward, Commissioner Deaton said, and it's important to accept it in order to support our long-term planning process.

President McCormick said that when issues arise related to AMI, they indicate a normal reaction from people who are new to the AMI planning process, and who don't have the benefit of knowing that AMI decisions have been years in the making. Decisions related to AMI are strategic, long-term, and not taken lightly, President McCormick said.

Our staffers are the backbone of what we do, President McCormick said, and are the highest priority in AMP's budget other than power costs. AMI decision-making also relates to the Board's fiduciary responsibility to ratepayers.

Commissioner Giuntini thanked staff for all their work on the budget. Commissioner Serventi thanked staff for going over the budget details with him.

With a motion from Commissioner Serventi and a second from Commissioner Deaton, the Board unanimously approved the item.

6. GENERAL MANAGER'S REPORT

A. General Manager's Report – May 2017

General Manager Procos congratulated President McCormick on her reappointment to the Public Utilities Board.

He said that AMP Assistant General Manager Rebecca Irwin represented AMP at a workshop on May 23 held by Community Action for a Sustainable Alameda (CASA) and the city of Alameda. Ms. Irwin provided an excellent overview of AMP's track record and where the organization expects to be in the future, he said. Commissioner Deaton also attended the CASA meeting.

AMP will be participating in the update of the city's Local Climate Action Plan, General Manager Procos said. By 2020, AMP anticipates that it will be carbon neutral, he said.

He also told the Board that a mylar balloon making contact with a power line caused a power outage in May. City Manager Keimach asked how many outages per year are caused by mylar balloons hitting power lines. Staff responded that AMP sees about six of these outages each year.

Commissioner Deaton said a number of participants at the CASA meeting did not understand or were not aware of AMP's efforts to reduce greenhouse gas emissions. She said that it means that there is a misunderstanding, or that AMP is not doing enough to educate people. It's on all of us to figure out how to get more information out there, she said.

Another thing that came to light at the CASA workshop, Commissioner Deaton said, is that many people don't think AMP is doing anything for solar. They think we're taking away incentives for solar, she said, when that's not the case.

President McCormick said she shared those concerns. She said that AMP receives public suspicion even when it says exactly what it's doing regarding renewables and lowering greenhouse gas emissions. She added that she thinks the suspicion comes from the current political climate. We need to educate, too, she said.

General Manager Procos Nico said that staff is participating with CASA and the update with the Local Climate Action Plan. We have a great story to tell, he said. He also noted that AMP has posted a forward-looking calendar on its website to inform the public about upcoming items.

Commissioner Serventi said the Board needs to tell the public what it's considering and studying. Commissioner Deaton suggested that AMP could release communications from the Board members.

7. COUNCIL COMMUNICATIONS

City Manager Keimach said that an Alameda city councilmember is interested in how the Board spends its REC funds, and wants to make sure the Board is looking at things that are in the city of Alameda's General Plan and what the council has done. The councilmember is interested in community solar on Mt. Trashmore, she said.

City Manager Keimach also noted that the city of Alameda recently won an award from the U.S. Conference of Mayors and Walmart for an AMP energy efficiency program.

8. BOARD COMMUNICATIONS

President McCormick noted that she appreciates her reappointment to the Board. She said she was looking forward to AMP achieving a carbon-neutral portfolio in 2020.

9. ORAL COMMUNICATIONS – NON-AGENDA ITEMS

None.

10. ADJOURNMENT

President McCormick adjourned the meeting at 7:56 p.m.